

Minutes of the Regular Meeting of the Gallup City Council, City of Gallup, New Mexico, held in the Council Chambers at City Hall, 110 West Aztec Avenue, at 6:00 p.m. on Tuesday, June 23, 2015.

The meeting was called to order by Mayor Jackie McKinney.

Upon roll call, the following were present:

Mayor: Jackie McKinney

Councilors: Linda Garcia
Allan Landavazo
Yogash Kumar
Fran Palochak

Also present: Maryann Ustick, City Manager
George Kozeliski, City Attorney

Presented to the Mayor and Councilors were the Minutes of the Regular Meeting of June 9, 2015.

Councilor Garcia made the motion to approve the Minutes of the Regular Meeting of June 9, 2015. Seconded by Councilor Landavazo. Roll call: Councilors Garcia, Landavazo, Kumar, Palochak, and Mayor McKinney all voted aye.

The Mayor and Councilors presented a commendation to Margaret Diaz, Administrative Assistant, honoring her for 25 years of service to the City.

Presented to the Mayor and Councilors were the following Discussion/Action Topics:

1. Resolution No. R2015-19; Fiscal Year 2016 Budget Adoption – Maryann Ustick, City Manager and Patty Holland, Chief Financial Officer

Ms. Ustick presented the 2016 Budget for final approval and for submission to the State of New Mexico Department of Finance and Administration by July 1, 2015. Ms. Ustick said there were a few minor changes made from the preliminary budget presented to Mayor and Councilors on May 19, 2015. The Liquor Excise Tax revenue was reduced and corrections were made to the Fire Department personnel. To rebalance the budget, an across the board reduction on overtime pay of 5.6 percent was made. With direction from the Mayor and Councilors to review the pay for the Community Service Aides (CSAs) there was an increase in hourly pay for the CSAs based on a review of similar jobs. The increase was offset by reducing the Police Department overtime pay. Ms. Holland said it was a solid and balanced budget and she will continue to watch for any changes needed for next year. Mayor McKinney made note that the preliminary budget showed the General Fund cash reserve balance at 14 percent; however, it had been corrected to reflect the actual balance of \$6,639,346 at 23.4 percent.

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Councilor Landavazo made the motion to approve Resolution No. R2015-19; Fiscal Year 2016 Budget Adoption. Seconded by Councilor Kumar. Roll call: Councilors Landavazo, Kumar, Garcia, Palochak, and Mayor McKinney all voted aye.

2. **Public Hearing:** To Solicit Public Comment for the Submission of the 2014 Justice Assistance Grant Application – Evan Williams, Deputy Director, Northwest New Mexico Council of Governments

Mr. Williams said this is an annual grant that is done through the Department of Justice. McKinley County and the City receive approximately \$40,000 each year. The Justice Assistance Grant (JAG) applications must be made available for the public so that the community has the opportunity to provide their input. This was not done within the thirty day period of submission last year so the current public hearing will correct the oversight. The funds requested for the 2014 JAG grant was in the amount of \$35,846 and was used for the training of K-9s and their handlers. Mayor McKinney asked if there was anyone present from the public who would like to give testimony or if there was any comment from the Council. There was none.

Councilor Kumar made the motion to approve the Submission of the 2014 Justice Assistance Grant Application. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Landavazo, Palochak, and Mayor McKinney all voted aye.

3. **Public Hearing:** To Solicit Public Comment for the Submission of the 2015 Justice Assistance Grant Application – Evan Williams, Deputy Director, Northwest New Mexico Council of Governments

Mr. Williams said the 2015 JAG will be used towards the training for four (4) K-9's teams for the Gallup Police Department and McKinley County would like to purchase a new dual purpose K-9 officer. The 2015 JAG must be made available for the public so that the community has the opportunity to submit their input. Mayor asked if there were any comments from the public or from the Council. Councilor Landavazo asked how many K-9s were there in the City and County. Chief Cron said the City had four K-9s. Mr. Paul Lucero said there were two K-9s in the McKinley County Sheriff's Department. Mayor McKinney asked Chief Cron about the K-9 that the City lost last year. Chief Cron said "Ace" was a Dutch Sheppard and a personable dog. Unfortunately during a training exercise Ace twisted his insides and died on the way to Albuquerque for surgery. Chief Cron said the dogs were difficult to handle, intimidating and had bitten some of the officers because of the mistreatment they received while being trained in Bernalillo. The JAG has made it possible for the proper training and handling of the K-9s to become police oriented and community friendly.

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Councilor Kumar made the motion to approve the Submission of the 2015 Justice Assistance Grant Application. Seconded by Councilor Palochak. Roll call: Councilors Kumar, Palochak, Landavazo, Garcia, and Mayor McKinney all voted aye.

4. Appointments of Fred E. Ramirez, Lee Usrey and Vincent Alonzo to the Gallup-McKinley Veterans Committee – Mayor Jackie McKinney

Mayor McKinney said with the resignation of Lisa Baca Diaz and the unfortunate passing of Trini Saucedo, the Gallup Veterans Committee submitted their recommendations for appointments to the Committee.

Councilor Palochak made the motion to approve the appointments of Fred E. Ramirez, Lee Usrey and Vincent Alonzo to the Gallup-McKinley Veterans Committee. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Landavazo, Kumar, and Mayor McKinney all voted aye.

5. Ordinance No. S2015-2; An Ordinance Granting or Denying a Request by High Desert QSRs, LLC for Vacation of an Alley Right-of-Way Containing Approximately 250 Square Feet and Dedication of a Public Utility Easement Containing 250 Square Feet in Its Place – Clyde (C.B.) Strain, Planning Director

Mr. Strain said the alley right-of-way being requested for vacation is approximately ten feet wide and twenty five feet in length and is approximately 250 square feet. The alley right-of-way is directly adjacent and to the east of the subject alley right-of-way that was vacated in 1962 from the subject alley proceeding east terminating at Navajo Boulevard and leaving the remaining 10' x 25' portion of alley right of way on the remaining west side of the property. The portion of the alley right-of-way being requested for vacation does contain overhead electrical lines. The property owner agreed to a Public Utility Easement which will give full unrestricted access to all existing utility infrastructure for construction, maintenance, repair or replacement.

Councilor Landavazo made the motion to approve. Ordinance No. S2015-2. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak Kumar, Garcia, and Mayor McKinney all voted aye.

6. Purchase Agreement with Public Service Company of New Mexico (PNM) for Electric Substations – Richard Matzke, Director, Gallup Electric Department

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Mr. Matzke said with the expiration of the PNM Energy Supply Agreement on June 29, 2014, the City was required to purchase the substations and the transmission lines that feed Gallup as contained in the agreement. On June 11, 2014, the City and PNM agreed to a scope of services outlining the methodology to be used by the City and PNM appraisers in the valuation of PNM facilities. Once the appraisals were submitted, the City and PNM agreed to the price of \$2,570,000 for the 5 substations and transmission lines and \$50,000 for the easements. The City is obligated under a separate metering agreement to pay up to \$50,000 of the cost of upgrading the metering equipment owned by PNM at the substations, which will be transferred to the City under the Purchase and Sale Agreement. The total cost of the purchase price is \$2,620,000 with an effective date of July 1, 2015. Mr. Matzke said the City will also save about \$30,000 a month on the ancillary charges that PNM charged each month for maintenance.

Councilor Garcia made the motion to approve the Purchase Agreement with Public Service Company of New Mexico (PNM). Seconded by Councilor Palochak. Roll call: Councilors Garcia, Palochak, Kumar, Landavazo, and Mayor McKinney all voted aye.

7. Allison Road Bridge Construction Project PS&E Engineering Update Proposal – Stan Henderson, Public Works Director

Mr. Henderson said Governor Martinez delivered the full \$4.5 million that was needed for replacing the Allison Road Bridge. He said funding for the project will come from the State's bond sales this month. He is anticipating receipt of the draft funding agreements in August with the final approval by the State in September. Mr. Henderson presented the proposal submitted by Bohannon Huston, Inc. for construction management and inspection services. He explained the scope of work to be included in the proposal. The proposal is for \$171,466 plus NMGRS for a total of \$185,719 and the "not to exceed" amount based on the worst-case scenario. Some of the work includes the advancement of 2013 plans from 90% to 100% final design, final sizing and design of guide banks and details, bridge rating calculations and coordination with NMDOT, including the certification and coordination for final plans specification and estimates (PS&E) and right-of-way maps per NMDOT requirements. Mr. Henderson said since this project is fully funded by the State with no Federal funding he is hopeful that the City can use State and local requirements in order for the costs to be lowered substantially. Funding for the engineering proposal will come from the 2013 legislative grant of \$150,000 and the remaining balance of \$35,719 will be paid from the Public Works/ Engineering's professional services account.

Mayor McKinney gave a brief history on the Allison Road Bridge Project. With the Governor committing \$4.5 million from the June bond sale and once the last

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requirements with the engineers and NMDOT have been met, he said we should be able to put a shovel to the project very soon. Mayor McKinney also explained the importance of the project with regards to improving traffic flows and potential economic development in the future. All of the Councilors agreed and commended the Mayor, Mr. Henderson and City staff for their work on the project.

Councilor Palochak made the motion to approve Allison Road Bridge Construction Project PS&E Engineering Update Proposal. Seconded by Councilor Landavazo. Roll call: Councilors Palochak, Landavazo, Kumar, Garcia, and Mayor McKinney all voted aye.

8. Ordinance No. S2015-3; An Ordinance Relating to Economic Development Planning Under the Local Economic Development Act (LEDA) of the State of New Mexico – George Kozeliski, City Attorney

Mr. Kozeliski presented the amendments to the LEDA Ordinance which includes minor changes to qualify as a Metropolitan Redevelopment Area and Arts & Cultural District. He said the changes were made during the last session of the New Mexico Legislature. The changes in language are incorporated into the City's Ordinance so that El Morro Theater and the City's Arts and Cultural District may qualify for Arts and Cultural LEDA funds.

Councilor Kumar made the motion to approve Ordinance No. S2015-3. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Landavazo, Palochak, and Mayor McKinney all voted aye.

9. Purchase Agreement with Tracy A. Marquez for the Purchase of 4.1 Acres of Real Property on Hassler Valley Road – George Kozeliski, City Attorney

Mr. Kozeliski said this is between the National Guard Armory and the New Mexico Department of Transportation property on Hassler Valley Road. The City has a water tank on the property and the non-potable water is used for construction sites. With this purchase the City will own the approach to this property for better access to the water tank and it will have an area for the Solid Waste truck parking area and office space. The cost is approximately 82 cents per square foot, with the purchase price of \$152,000. The Water and Wastewater Enterprise Funds will be used to purchase the property.

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Councilor Palochak made the motion to approve Purchase Agreement with Tracy A. Marquez for the Purchase of 4.1 Acres of Real Property on Hassler Valley Road. Seconded by Councilor Garcia. Roll call: Councilors Palochak, Garcia, Kumar, Landavazo, and Mayor McKinney all voted aye.

10. Extension of the Existing Services Agreement with Severn Trent Environmental Services – Vincent Tovar, Director, Gallup Water & Sanitation Department

Mr. Tovar said a Request For Proposals (RFP) for ongoing services was under development and would be issued on January 1, 2016 to allow prospective service providers ample time to inspect the Gallup facilities and submit responsive proposals. Service under the new contract would begin July 1, 2016. Subsequent to that, during discussions for plans dealing with the sludge, he said it was apparent that the City's crew did not have the technical skills that were needed for disposal of the sludge. Severn Trent has offered technical assistance to provide modifications to the aerobic digesters and provide additional options for dealing with the sludge and the odor control. Severn Trent is also important for the overall goal of beginning the transport of sludge away from the City no later than July 2015. For those reasons, Mr. Tovar requested an extension to the existing Severn Trent Service Agreement for one year.

Councilor Landavazo made the motion to approve the extension of the existing Services Agreement with Severn Trent Environmental Services. Seconded by Councilor Palochak. Roll call: Councilors Landavazo, Palochak, Garcia, Kumar, and Mayor McKinney all voted aye.

The following Presentation and Information Item was presented to the Mayor and Councilors:

1. Fireworks Safety – Jacob Lacroix, Fire Inspector, Gallup Fire Department

Mr. Lacroix presented some fire statistics from 2011 and said although the date may have changed the numbers have not changed a lot. Across the country in 2011, fireworks were the cause of 17,800 reported fires: 1,200 structural, 400 vehicles, and 16,300 outside and other fires. These resulted in 8 deaths, 47 injuries, and \$32 million in property damage. On Independence Day, there are more reported fires than any other day during the year. He said sparklers rank number one for causing injuries, followed by firecrackers and reloadable shells. Mr. Lacroix said the City did not report any fireworks related injuries in 2014, but there was one reported fire behind Lincoln Elementary. Mr. Lacroix said firework permits for discharging fireworks may be purchased from the City Clerk's office.

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Councilor Landavazo asked if there was difference in the fireworks being sold by the City and County. Mr. Lacroix said there was no difference.

Comments by Public on Non Agenda Items

None

Comments by Mayor and City Councilors

Councilor Garcia reminded everyone that she was having her Neighborhood Association meeting at 6:30 p.m. on Wednesday, June 24, 2015 at the Northside Senior Center. Councilor Garcia also had a couple of questions for Mr. Strain (C.B) regarding complaints on a couple of residences that she wanted looked into. She had a question on a property owner regarding a grading and excavation permit and using concrete for fill on North First Street. The second question was regarding the unsafe foundation and broken fence on First Street. Mr. Strain said he would send the City's Code Enforcement Officers to check both locations.

Councilor Kumar gave an update on the Radosevich house. He said the new owner was cleaning up the residence and it was winning situation for the Radosevich family and the new buyer. He said the Allison Bridge Project is a great accomplishment for the City and it was going to be an important economic driver for the future. He wished everyone a safe Fourth of July.

Councilor Landavazo commended the City Clerk's office for their work in preparing the agenda packets. He also thanked the City Manager and City staff members for providing information to the Councilors which helps in the Council's decision making. He reminded everyone to "Buy, Believe, Build" this community.

Councilor Palochak thanked the City for making it possible for her to attend the Municipal Officials Leadership Institute (MOLI) training at the Municipal League. She attended the Lion's Club Rodeo and encouraged everyone to do the same because it was a great event. She also attended the Allison Bridge Project opening ceremony and enjoyed meeting Governor Martinez who praised Mayor McKinney. She also commended Rusty Swatzell, Street Superintendent and the Street Department for their hard work on the pot holes on Aztec Avenue. She reminded everyone about her neighborhood meeting to be held on Thursday, June 25, 2015 at 6:00 p.m. at Tobe Turpen Elementary School.

Mayor McKinney commended Mr. Kozeliski and his staff for all the hard work they had done on the City sponsored rodeo, "The Best of the Best." The rodeo is a timed event, and has 137 contestants this year which doubled from last year. The rodeo will start on

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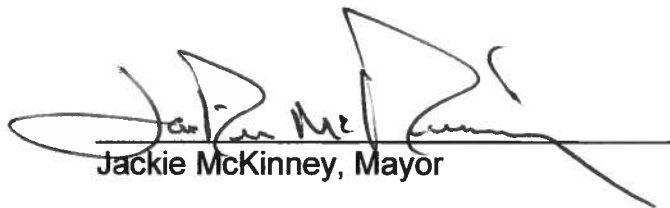
Wednesday, June 24th through Saturday, June 27th, 2015. Also, the Quilts of Valor are having their program on Friday, June 26, 2015 at the UNM Adult Basic Education Center (ABE) on North 7th Street. The Mayor commended John Matajcich from the Gallup Service Mart, UNM-Gallup and the local quilters for their support to the event. The quilters hand stitched beautiful quilts to present and honor Veterans returning from military duty. The Mayor also wished everyone a Happy Fourth of July.

Comments by City Attorney and City Manager

Mr. Kozeliski said the contestants for the Best of the Best Rodeo were from all over the country and not just from New Mexico. He said there were 43 contestants from New Mexico, 26 from Texas, 20 from Colorado, 16 from Arizona and other states, including Idaho, Kansas, Utah, Wyoming and Louisiana. The evening events start at 7:00 p.m. except for Saturday which is scheduled to begin at 5:00 p.m.

Ms. Ustick said she will keep the Mayor and Councilors updated on the delayed work regarding the sludge removal at the Wastewater Treatment Plant which should begin within a couple of weeks. Ms. Ustick said the Mentmore Chee Dodge emergency sewer work was completed with the total cost of \$644,500. She said with this significant investment for the neighborhood there should be a substantial improvement on the odor control in the neighborhood area. There will be a Special Council Meeting on Monday June 29, 2015 at 4:00 p.m. The World Changers volunteers were in town earlier and she thanked Vince Alonzo, Parks & Recreation Director, for helping them become comfortable while they were doing some great work for our community.

There being no further business, Councilor Kumar made the motion to adjourn the meeting. Seconded by Councilor Garcia. Roll call: Councilors Kumar, Garcia, Landavazo, Palochak, and Mayor McKinney all voted aye.



Jackie McKinney, Mayor

ATTEST:



Brenda Romero, Deputy City Clerk

Approved 7/14/2015